



Contract Center Manual

Policies and Procedures



Bureau of Child Development
Division of Family Resources

TABLE OF CONTENTS

STATE OF INDIANA, FAMILY AND SOCIAL SERVICES ADMINISTRATION, CHILD CARE AND DEVELOPMENT FUND (CCDF)

Page

| | |
|----|---|
| 4 | Definitions |
| 11 | Acronyms |
| 13 | CHILD CARE DEVELOPMENT FUND (CCDF CONTRACT CENTERS) |
| 13 | Introduction |
| 13 | CCDF Contract Goals and Proposes |
| 14 | Contract Performance Standards |
| 15 | Purpose of this Manual |
| 16 | Confidentiality |
| 17 | DIRECT SERVICE COMPONENT |
| 17 | Purpose and Outcomes |
| 17 | Service Definitions |
| 17 | Restriction of Funds |
| 18 | Collaboration and Communication |
| 18 | CCDF Contract Priorities |
| 19 | FAMILY ELIGIBILITY GUIDELINES |
| 19 | Service Need |
| 19 | Incapacitated Parents and Medical Condition |
| 19 | Protective Services |
| 20 | Financial Need |
| 20 | Residency |
| 20 | Age Requirements |
| 20 | Physical Custody |
| 20 | Minor Parents |
| 20 | Parents Called to Active Duty in the Military |
| 20 | Foster Care Families |
| 21 | Children with Special Needs |
| 22 | Determining Service Need of the Family |
| 22 | Employment and Self-Employment |
| 22 | Education and Training Activities |
| 23 | Job Search Activities |
| 23 | Approved Leave |
| 24 | Determining Financial Need of the Family |
| 24 | Types of Income |
| 25 | Other Types of Income and How to Calculate |
| 26 | Sources of Income Not Counted Toward Eligibility |
| 27 | Verification of Information |

| | |
|----|---|
| 29 | PARENT APPLICATION PROCESS |
| 29 | Initial Contact with the Applicant |
| 29 | Applicant Interview - Completing the 805 Application |
| 30 | Determining a Subsidy Period |
| 30 | Determining Childcare Need/Creating CCDF Voucher |
| 31 | Six Month Re-Determination |
| 31 | Changes in Family Circumstances |
| 32 | DENIAL OF APPLICATION, TERMINATION OF SERVICES |
| 32 | Denial of Application |
| 32 | Termination of Services |
| 33 | Parent Appeal Procedures |
| 34 | County Child Care Market Rates |
| 34 | Provider Rate Changes |
| 34 | Sliding Fee Schedule |
| 35 | PROVIDER COMPONENT |
| 35 | Eligible Provider |
| 35 | Curriculum |
| 36 | PROVIDER REGULATIONS |
| 36 | Licensed Child Care Center |
| 36 | CCDF Provider Standards |
| 37 | Non-Compliance with CCDF Provider Standards |
| 37 | Rescinding a CCDF Provider Revocation Order |
| 38 | Provider Limits on Number of Children Enrolled in Subsidy |
| 38 | Adverse Provider Actions - Other than CCDF Standards |
| 39 | Provider Appeal of Adverse Action - Other than CCDF Standards |
| 40 | Providers with Multiple Sites |
| 40 | Attendance |
| 40 | Full Time Care |
| 41 | Personal Days |
| 41 | Holidays |
| 41 | Other Cost |
| 42 | CCDF FRAUD/RECOVERY AND COLLECTION |
| 42 | Purpose |
| 42 | Definition |
| 42 | Grantee Role |
| 42 | Reporting Procedure |
| 44 | BUDGET |
| 44 | Budgeting and CIS |
| 45 | CONTRACT REQUIREMENTS |

DEFINITIONS

805:

A term used to describe an application for CCDF services.

ADULT:

An individual who is age 18 or older.

ADVERSE ACTION:

An action towards a recipient that includes denial and/or termination of services, increased fees, or a reduction in services. Clients must be notified at least ten calendar days before an adverse action can be imposed.

AGE CATEGORY:

A category by age; infants (0-11 months), toddlers (12-35 months), three years through five years, kindergartners, and school-age.

ANNUAL CORPORATE REPORT:

The forms which must be filed annually with the Secretary of State to maintain the authority to do business as a corporation in Indiana. Foreign Corps-Forms 119 (based outside of Indiana) Domestic Corps: For Profit- Form 120, Not-for Profit- Form 121.

APPEAL:

The right to request a hearing or administrative review as a result of an adverse action.

APPLICANT:

A person who is applying for services on behalf of the child(ren) for which they have physical custody. The applicant must be a person related to the eligible child by blood or law, or is a person standing *in loco parentis* (in the place of a parent). The applicant must be age 18 or over unless the applicant is married, an emancipated minor, or a minor parent.

APPROVED LEAVE:

An approved temporary lapse in service need, which does not exceed twelve (12) weeks during which child care is not needed yet eligibility is maintained. I.E. family medical leave, temporary changes in formal custody, a break in school less than four (4) weeks, or (12) weeks for a returning junior or senior high school student.

ATTENDANCE:

The total number of children present at any one time at the child care setting.

ATTENDING TRAINING/EDUCATIONAL PROGRAM:

One is "attending" job training or an educational program when participation occurs outside of the home for a job training or educational program.

CAREGIVER:

An individual, 18 years of age or over, whom is responsible for the direct care, protection, and supervision of children in the absence of the custodial adult.

CAREGIVER REIMBURSEMENT:

Sometimes termed provider reimbursement, which is made by the Central Reimbursement Office (CRO) to the child care provider for child care services rendered or the parent in the case of "In Home Care". This reimbursement will be made no less than twice per month. The caregiver is to follow the claims schedule provided in their enrollment packet.

CATEGORIES OF CARE:

Types of child care settings such as center-based, child care home, and in-home care.

CENTER-BASED CHILD CARE:

A provider licensed to provide child care services where at least one child is cared for in a non-residential structure.

CENTRAL REIMBURSEMENT OFFICE: (CRO)

An entity that validates and processes child care claims from child care providers.

CERTIFIED PROVIDER:

A provider, who is either licensed or exempt from being licensed by law, has met all CCDF provider standards and has completed the application process. This includes: licensed centers, facilities and homes; registered day care ministries; legally license-exempt child care homes; relative care (grandparent, great-grandparent, aunt, and/or uncle); school-age child care sites; and pre-school sites.

CHARGE CATEGORY:

The different ways to charge fees: hourly, daily, or full time weekly.

CHILD:

An individual who is under the age of 18.

CHILD WITH SPECIAL NEEDS:

A child who is enrolled in one or more of the following programs:

- Children with Special Health Care Services;
- First Steps Early Intervention System;
- Public School Special Education;
- Supplemental Security Income (SSI); or
- Child who attends Head Start and has been professionally diagnosed with a disability

CHILD CARE DEVELOPMENT FUND: (CCDF)

The CCDF was authorized by Congress through the U. S. Department of Health and Human Services to amend the Child Care and Development Block Grant. The purpose of the CCDF is to have one single, integrated child care funding system to assist low-income families through subsidized child care and to increase the availability and quality of child care services.

CHILD DEVELOPMENT ASSOCIATE CREDENTIAL: (CDA)

A competency-based certification for individual child care providers awarded through the Council of Early Childhood Professional Recognition.

CITIZEN:

A person who is a citizen of the United States or a qualified alien.

CLIENT:

A recipient of services.

CONTRACT:

A legal document which may exist between the State of Indiana and the grantee or between the State of Indiana and a certain number of contracted child care centers. The document describes the service to be purchased, the term, the reimbursement rate, and the conditions of service delivery. Also known as the "agreement".

CO-PAY:

The fee for child care for a family according to the Division of Family Resources Child Care Income Eligibility Determination and Sliding Fee Schedule.

COUNTY MARKET RATE:

The maximum reimbursement rates established in each county for each child care charge category by age and provider type.

COUNTY TEAM:

Within each county a group that consists of the following: representative of the Step Ahead Council, Intake Agent, Local OFC Director and Child Care Resource and Referral Regional Representative.

CUSTODY:

Providing care and supervision of a minor either through formal agreement, i.e. divorce decree, guardianship, foster placement or informal agreement i.e. biological parent declaration or the declaration of the individual serving as parent (in loco parentis).

DAILY CARE:

A daily unit of care is defined as four (4) hours or more for non-school age and school-age other care and three (3) hours or more for school-age children during the school year.

DATE OF APPLICATION

The date the 805 application has been signed and dated by the applicant.

DECLARATION:

A method of identifying family gross monthly income where no verification of income is required.

DEVELOPMENTALLY APPROPRIATE:

Developmentally appropriate has two dimensions: age appropriateness and individual appropriateness. Programs must incorporate activities that acknowledge typical development of children within their age span and also address each child's uniqueness as a person who has an individual personality, learning style, and background.

DIRECT SERVICES:

CCDF funding component that is issued as vouchers for child care services or contracted with certain child care center providers for child care services.

EDUCARE:

A term used to encompass all programs for children across the spectrum and convey the sense of appropriate experiences for young children, including both care and education of children.

ELIGIBILITY DETERMINATION:

The procedure required to determine that an individual or family meets the criteria for receiving services. Determination is based on the need for a service, residency in Indiana and variables of family size and income.

EMANCIPATED MINOR:

A married minor, or a minor residing apart from their parents and financially independent with parental consent, or affirmed by legal action.

ENROLLMENT YEAR:

The 12-month period that a child is enrolled, including the first six months from the application date, plus the second six months after the re-determination date.

FAMILY:

One or more adults and children related by blood or law, or other person standing in loco parentis, residing in the same household. Where adults over the age of 18 (other than spouses) reside together, each is considered a separate family. Wards of the Local Office of the Division of Family Resources (i.e., foster children on Title IV-E) are the legal responsibility of the Local Office of the Division of Family Resources and not the family with which the child

has been placed. Note: A marriage between persons of the same gender is void in Indiana even if the marriage is lawful in the place where it is solemnized. (IC 31-11-1-1(b))

FAMILY CHILD CARE HOME PROVIDER:

An individual who provides child care services in a residential structure other than the child's residence.

FEDERAL POVERTY LEVEL:

Guidelines issued by Health and Human Services by the number in the family unit and income level to determine whether a person or family is financially eligible for assistance or services under a particular Federal program. These guidelines are based on poverty thresholds used by the Bureau of Census to prepare its statistical estimates of the number of persons and families in poverty. The poverty guidelines are adjusted each year to account for the last calendar year's increase in prices as measured by the Consumer Price Index.

FOSTER PARENT:

An individual who provides care and supervision as a substitute family on a 24-hour basis to a child who is deemed a ward of the local Office of Family Resources. A foster parent, with the appropriate documentation, may be considered a valid applicant for enrollment of the foster child to the CCDF program. **Documentation is required that this is a foster care situation by copying the foster parent's Foster Family Home License (State Form 45562). The Grantee must also have a statement from the local OFC that this foster child has been placed with this foster parent.**

FOSTER CARE PER DIEM:

The daily maintenance payment to a foster parent for the care of a child who is deemed a ward of the local Office of Family Resources.

FULL-TIME WEEKLY:

Care provided for 25 hours or more per week, Sunday through Saturday, for non-school age children or for school age children when school is not in session, or when care is required during non-traditional hours. For school-age children when school is in session, full time care is defined as 15 hours or more per week, Sunday through Saturday.

GRANTEE:

A legal entity that has entered into a contractual agreement with the Indiana Family and Social Services Administration.

GROSS FAMILY INCOME:

Total income from all countable sources prior to taxes and deductions.

INCAPACITATED PARENT:

The parent who has a medical condition that prevents him/her from working or attending an educational or training program, and who is unable to care for children as verified by a doctor's statement. This could include a woman who is pregnant or who has recently given birth to a child.

INCOME ELIGIBLE:

Persons who are financially eligible for services. Income eligibility is based on the current poverty level with family size.

INFANT/TODDLER PROGRAM:

Center or home-based care for newborn to 35 month old children.

IN LOCO PARENTIS:

The definition of a parent includes a person standing in the place of a parent, provided the applicant has physical custody of the child for whom services are being requested. The applicant must be age eighteen (18) or over unless

the applicant is married, an emancipated minor, or a teenage parent.

JOB TRAINING/EDUCATIONAL PROGRAMS:

A formal progression of activities designed to lead to specifically defined educational goals or readiness for a specific field of employment and provided by an institution licensed or accredited by the state for this purpose.

KINDERGARTEN:

A child over the age of 5, not enrolled in grade one or above.

LEGAL GUARDIAN:

A person appointed by a court to have the care and custody of a child or the child's estate, or both.

LICENSED PROVIDER:

A provider that meets the legal requirements of the state to provide child care services and has been issued a license by the Division of Family Resources to operate a child care facility or home.

MEDICALLY FRAGILE CHILD:

A child characterized by the use of a particular medical device that compensates for the loss of the use of a body function and who requires substantial and complex daily care to avert death or further disability.

MEMORANDUM OF AGREEMENT: (MOA)

A written agreement between two or more parties, that defines the roles and responsibilities of all parties.

MINOR PARENT:

A parent who is under the age of 18.

NAEYC ACCREDITATION:

A voluntary, nationally recognized accreditation system for all types of early childhood centers and schools. It is authorized and validated by the National Academy of Early Childhood Programs, a division of the National Association for the Education of Young Children (NAEYC).

NAFCC ACCREDITATION:

A voluntary, nationally recognized accreditation system for family child care homes. It is authorized and validated by the National Association of Family Child Care (NAFCC).

NECPAC ACCREDITATION:

A voluntary, nationally recognized accreditation system for early childhood centers. It is authorized and validated by the National Early Childhood Program Accreditation Commission.

NEW APPLICANT:

An individual applying for services who has not participated in the CCDF program for the previous 90 days.

NON-TRADITIONAL CARE:

Care provided outside Monday through Friday, 6:00 a.m. to 6:00 p.m., and sick child care.

PARENT:

A person related to the eligible child by blood, marriage, or adoption and including a legal guardian or other person standing *in loco parentis* (in the place of a parent).

PERSONAL/ABSENT DAYS:

Twenty days a family may use for a child's absence per enrollment year. Personal/absent days are provided to children who are enrolled on a full-time weekly basis. These days may be used at the parent's discretion for days when the provider was open for business and the child was scheduled to attend, but did not attend any part of the day.

PROTECTIVE SERVICES:

Services provided by an established agency or organization to protect children or persons at risk of abuse/neglect or exploitation. May also be referred to as CPS (Child Protective Services). Income eligibility and fee requirements can be waived.

QUALIFIED ALIEN:

An alien who is lawfully admitted for permanent residence under the Immigration and Nationality Act; an alien granted asylum under this Act; a refugee admitted under this Act; an alien who is paroled into the U. S. for a period of a year; an alien for whom deportation is being withheld under the Act; and/or an alien granted conditional entry pursuant to the Act.

RATIOS: (CHILD/STAFF)

The maximum number of children permitted per direct child care provider in accordance with state regulations.

RESIDENT:

A person who lives in the county in Indiana where they are applying or receiving assistance. This can include a person temporarily residing in a domestic or homeless shelter. Also included are legal (qualified) aliens or students with visas. There is no minimum length of time a client must reside in Indiana.

SCHOOL-AGE CARE:

Before and/or after school child care services for children ages five to thirteen. Sites can include child care centers, child care homes, in-home care, community centers, schools, and churches.

SUB GRANTEE:

A provider of services who contracts with the FSSA / BCD grantee.

SUBSIDY BEGIN DATE:

The date the family is eligible to begin receiving CCDF. The subsidy begin date may not be more than the Sunday prior to the date of application.

SUBSIDY END DATE:

The date which CCDF services will end unless the family completes the recertification process according to established guidelines. Typically, the subsidy end date is six months after the subsidy begin date.

SUBSTANTIATED:

A determination regarding the status of a child abuse/neglect report whenever facts obtained during an investigation of the report provide credible evidence child abuse or neglect has occurred.

TEMPORARY MEDICAL CONDITION: (TMC)

A condition which would not be considered permanent by a physician, medical practitioner, or Social Security administration. Temporary is defined as lasting less than 12 weeks. A condition which will limit a person's ability to work, attend school, seek employment or care for their children. A written Temporary Medical Condition statement must be provided by a medical practitioner and provide estimated end date of the condition. Examples of TMC are: post surgery conditions, pregnancy situations, accident related conditions, and mental health related conditions:

UPDATE:

The process by which a grantee completes a periodic review of an applicant's information and documents changes to the application.

VOLUNTEER CAREGIVER:

An individual who provides or participates in the child care of a specific child with or without compensation.

VOUCHER:

A document which authorizes reimbursement of child care services for a specific: child, provider, begin date, end date, and dollar amount. Multiple vouchers within the subsidy begin and subsidy end date may be created to facilitate flexibility and family choices.

VOUCHER BEGIN DATE:

The date a voucher is considered valid for provider reimbursement. The first voucher begin date *must always* be the same as the subsidy begin date.

VOUCHER END DATE:

The date a voucher is no longer considered valid for provider reimbursement.

WAITING LIST:

A list of children from families who meet financial and service eligibility for CCDF, but for whom there are no available CCDF funds.

WEEK:

Defined as Sunday through Saturday.

WORKING:

A person receiving wages or salary for performing services for another person or organization or receiving compensation for a service or product.

ACRONYMS

| | |
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| ABE: | Adult Basic Education |
| ADA: | Americans with Disabilities Act |
| AFDC: | Aid to Families with Dependent Children (replaced by TANF) |
| AIS: | Automated Intake System |
| BCD: | Bureau of Child Development |
| B of I: | Bureau of Investigation |
| CA/N: | Child Abuse / Neglect |
| CCDBG: | Child Care and Development Block Grant (replaced by CCDF) |
| CCDF: | Child Care and Development Fund |
| CCRR: | Child Care Resource and Referral |
| CDA: | Child Development Associate |
| CHINS: | Child In Need of Services |
| CMT: | Contract Management Team |
| CPS: | Child Protective Services |
| CRO: | Central Reimbursement Office |
| DFR: | Division of Family Resources |
| DOA: | Department of Administration |
| DOE: | Department of Education |
| DS: | Direct Service |
| ESL: | English as a Second Language |
| FC: | Foster Care |
| FPL: | Federal Poverty Level |
| FS: | First Steps |
| FSSA: | Family and Social Services Administration |
| GED: | General Equivalency Diploma |
| HHS: | Health and Human Services |

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| IACCRR: | Indiana Association of Child Care Resource and Referral |
| IAEYC | Indiana Association for the Education of Young Children |
| IASACC: | Indiana Association of School Age Child Care |
| IC: | Indiana Code |
| ICES: | Indiana Client Eligibility System (Food stamps, Medicaid, TANF) |
| ILCCA: | Indiana Licensed Child Care Association |
| IMPACT: | Indiana Manpower Placement and Comprehensive Training |
| IRS: | Internal Revenue Service |
| ISETS: | Indiana Support Enforcement Tracking System (Child support) |
| LLEP: | Legally License-Exempt Provider |
| MOA: | Memorandum of Agreement |
| NAEYC: | National Association for the Education on Young Children |
| NEC-TAS | National Early Childhood Technical Assistance System |
| OCP: | Office of Community Planning |
| OFC: | (Local) Office of Family Resources |
| PIR: | Program Information Report |
| PRWORA: | Personal Responsibility and Work Opportunity Reconciliation Act of 1996 |
| RFF: | Request for Funds |
| RFP: | Request for Proposal |
| RID: | Recipient Identification Number |
| SAC: | School-Age Care (formerly School Age Child Care - SACC) |
| SSA: | Social Security Administration |
| SSBG: | Social Services Block Grant |
| SSI: | Supplemental Security Income |
| SSN: | Social Security Number |
| TA: | Technical Assistance |
| TANF: | Temporary Assistance to Need Families (formerly AFDC) |

STATE OF INDIANA
FAMILY AND SOCIAL SERVICES ADMINISTRATION
CHILD CARE AND DEVELOPMENT FUND
CONTRACT CENTERS

INTRODUCTION

The Child Care and Development Fund (CCDF) was authorized by Congress through the U. S. Department of Health and Human Services, by amending the Child Care and Development Block Grant regulations at 45 CFR Part 98. Section 103 (c) of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (PRWORA) repealed the child care programs authorized under Title IV-A of the Social Security Act – Aid to Families with Dependent Children (AFDC) Child Care, Transitional Child Care, and At-Risk Child Care. In addition, PRWORA amended Section 418 of the Social Security Act to provide new federal child care funds and to transfer them to a “Lead Agency” under the amended Child Care and Development Block Grant Act.

In Indiana, the lead agency for the CCDF funding is the Family and Social Services Administration (FSSA), Division of Family Resources (DFR).

The DFR develops and implements policies and procedures for the administration of the grant funds. The CCDF State Plan outlines parameters for both local and state levels and includes program outcomes, systems development, and eligibility requirements.

CCDF CONTRACT GOALS AND PURPOSES

Section 98.1 of the CCDF Final Rules outlines the goals and purposes of the fund, as follows:

The goals are to:

- allow the state maximum flexibility in developing child care programs and policies that best suit the needs of the children and parents within the state;
- promote parental choice to empower working parents to make their own decisions on the child care that best suits their family’s needs;
- provide consumer education information to assist parents in making informed child care choices;
- assist parents with child care who are trying to achieve independence from public assistance; and
- assist in implementing the health, safety, licensing, and registration standards established by state regulations.

The purposes are to:

- increase the availability, affordability, and quality of child care services;
- provide low income families with the financial resources to locate and afford quality child care for their

- children;
- enhance the quality and increase the supply of child care for all families, including those who receive no direct assistance under the CCDF;
- provide parents with a range of options in addressing their child care needs;
- strengthen the role of the family;
- improve the quality of and coordination among, child care programs and early childhood development programs; and
- increase the availability of early childhood development and before- and after- school-age care.

CONTRACT PERFORMANCE STANDARDS

Each contract has performance standards that must be adhered to for the duration of the contract period. Failure to comply with these performance standards will result in the termination of the contract or withholding of payment.

1. Grantee must be in good standing with the Bureau of Child Development licensing section during the contract period.
 - a) License revocation during the contract period will result in immediate termination of contract.
 - b) Upon receipt of second suspension or probationary license during contract period, termination of the contract will result with 30 days notice.
2. Grantee must maintain compliance with CCDF provider standards.
 - a) Failure to do so will result in immediate contract termination.
3. Attend a Directors Foundation/Social Emotional Training. Training will be provided in 3-5 locations around the state and training will be provided by the Bureau of Child Development. Both the program director and the individual designed as the specialist must attend.
 - a) Failure to do so may result in termination of contract with 30 days notice.
4. Grantees must identify and implement a curriculum that is determined to be valid, reliable and appropriate for children in their care.
 - a) Grantees must identify and begin implementation of a child assessment strategy that is consistent with the curriculum currently in use.
5. Reimbursement will be made on a unit rate basis. Child Care reimbursements are to be made for the provider's actual charge for care not to exceed the established county CCDF child care market rates.
 - a) Current Application Forms (805's) must be entered in the Bureau of Child Development Data System.
 - b) Detailed payment information and 805's must be submitted to Bureau of Child Development on a monthly basis.
 - c) Grantee must maintain signed attendance records for all children using CCDF Contract dollars.
6. Grantee must attend all mandatory trainings, unless specifically excused by the Bureau of Child Development.

- a) Failure to do so may result in termination of contract with 30 days notice.
- 7. By October 1, 2005, Grantee must submit proof that a validation visit was made by an approved accrediting agency by October 1, 2005, in not already accredited by an approved accrediting agency.
 - a) Failure to do so will result in termination of contract with 60 days notice.
- 8. Meet and maintain accreditation requirements,
 - a) Failure to do so will result in immediate contract termination.

PURPOSE OF THIS MANUAL

The purpose of this manual is to provide CCDF Grantee with policies, procedures and guidelines to follow as they facilitate intake and eligibility services to prospective CCDF Contract families

CONFIDENTIALITY

CONFIDENTIALITY ON THE PHONE

As required by IC 5-22-3-7:

The Contractor and any principles of the Contractor certify

The Contractor, except for de minimis and nonsystematic violation, has not violated the terms of:

- IC 24 -4.7 (Telephone Solicitation of Consumers),
- IC 24 -5-12 (Telephone Solicitations), or
- IC 25-5-14 (Regulation of Automatic Dialing Machine) in the previous 365 days, even if IC 24-4.7 is preempted by federal law; and

The Contractor will not violate the terms of IC 24-4.7 for the duration of the Contract, even if IC 24-4.7 is Preempted by federal law.

The Contractor and any principles of the Contractor certify an affiliate or principle of the Contractor and any Agent acting on behalf of an affiliate or principal of the Contractor;

- Except for de minimis and nonsystematic violations, has violated the terms of IC24-4.7 in the previous 365 days, even if IC24-4.7 is preempted by federal law; and
- Will not violate the terms of IC24-4.7 for the duration of the Contract, even if IC 24-4.7 is preempted by federal law.

DIRECT SERVICE COMPONENT

PURPOSE AND OUTCOMES

CCDF direct service dollars are to provide financial assistance to eligible TANF and low-income families in need of child care as defined in the CCDF State Plan. All child care providers must meet applicable state and local requirements in order to participate.

SERVICE DEFINITIONS

Child Care (0200)

A service which offers care and supervision of children in licensed child care centers. Services must consist of nutritious meals and snacks, and activities geared to meet the appropriate developmental needs of the children served. The service may be provided in daily, weekly or hourly units. The service does not include transportation.

Child Care Transportation (0200.A)

Children enrolled in a CCDF contract funded child care program may receive transportation services **only if it is included in the Grantee's contract**. The unit is a round trip.

RESTRICTION OF FUNDS

CCDF Direct Service Funds may not be used for:

1. The non-federal share (match) for other Federal grant programs;
2. The purchase or improvement of land, or for the purchase, construction, or permanent improvement of any building or facility;
3. Grants or contracts reimbursement for any sectarian purpose or activity, including sectarian worship or instruction except as provided in 45 CFR 98.30(4) and (5);
4. Supplementing program support; and
5. Supplementing quality initiatives.
6. Tuition. Funds may not be expended for students enrolled in grades one through twelve for:
 - a. Any service provided to such students during the regular school day;
 - b. Any service for which such students receive academic credit toward graduation; or
 - a. Any instructional services that supplant or duplicate the academic program of any public or private school.
7. Child care services provided by a CCDF Contract Center for a child also enrolled in the CCDF voucher program. A child may not be enrolled or reimbursed simultaneously under both the CCDF child care voucher program and a CCDF contract center program.

COLLABORATION AND COMMUNICATION

Grantees should communicate and participate in the Step Ahead collaboration process of establishing comprehensive service delivery systems in the counties where they are providing child care services. Communication should also be maintained between the grantee, the county intake agent and the local CCRR.

CCDF CONTRACT PRIORITIES

Child Care services are to be provided in accordance with the following goals:

Goal I: To achieve or maintain economic self support to prevent, reduce, or eliminate dependence (i.e. work, training or educational activities). Or

Goal II: (No longer available)

Goal III: To prevent or remedy neglect, abuse, or exploitation of children unable to protect their own interests (referrals from Child Protective Services (CPS) from the local Office of the Division of Family and Children).

Child Care Services must be provided to eligible families on a continuous basis for the entire contract period as long as they remain eligible.

FAMILY ELIGIBILITY GUIDELINES

All families must meet and document a service need, financial need, residency, and age requirements.

SERVICE NEED

- Employment; or
- A certified or accredited training or educational program, including high school, adult basic education, or GED; these activities must take place outside the home; or
- Job search activity.

TEMPORARY LOSS OF SERVICE NEED (EDUCATION)

If a CCDF recipient is currently enrolled as a student, the voucher(s) for the child(ren) may be placed in “Approved Leave” during breaks in school which do not exceed 4 weeks provided the CCDF applicant plans to return to school at the end of the break. If the parent is a junior or senior high school parent, the vouchers may be placed in “Approved Leave” for up to 12 weeks as long as the minor parent intends to return to school. This action ensures the child will have CCDF benefits when the parent returns to school.

INCAPACITATED PARENTS AND MEDICAL CONDITION

These situations are to be determined on a case-by-case basis and reviewed at least every six months or based on the length of the incapacity as verified on the doctor’s statement, whichever comes first.

1. In a two parent household, CCDF child care services may be provided to allow the parent to continue employment, training or education activities, if the incapacitated parent is unable to care for the children and has a valid doctor’s statement documenting this and the incapacity. A new statement must be obtained at each re-determination.

2. In a two parent household CCDF child care services **can be continued** when one parent has a medical condition which prevents the parent from participating in their employment, training, or education due to a **temporary medical condition** (see definitions) and the other parent is incapacitated, if the incapacitated parent is unable to care for the child/ren and has a valid and current doctor’s statement. A doctor’s statement is also required stating the parent is unable to participate in their service need or care for the child. A statement is also required indicating the parent has been assured of returning to their employment, training, or education. New statements are required at each re-determination.

3. In single parent households, CCDF child care services can be continued when the parent has a **temporary medical condition** (see definitions) which prevents the parent from working. A doctor’s statement must be provided indicating the parent is unable to work and unable to care for the child/ren. A statement must also be provided indicating the parent has been assured of returning to their job. New statements are required at each re-determination.

PROTECTIVE SERVICES - NO MEANS TEST (ELIGIBILITY CODE 58-GOAL IIIA)

Families with children who receive or need to receive protective services as verified by the Local OFC can be eligible for CCDF child care services provided the CPS caseworker indicates the family needs child care out of the child’s home. The service and financial need requirements are waived for children who have been referred by their CPS caseworker as needing out of home care as part of the CPS case plan. A child who has been placed into another home is not eligible for this exception. This is for children who have not been removed from their own home but need outside care as identified by the CPS caseworker

FINANCIAL NEED

Effective 10/1/02, a new family (see definition) must have a gross monthly income which does not exceed 127% of the Federal Poverty Level to be enrolled in the program. Effective 10/1/05, families may remain on the CCDF program until the family's Federal Poverty Level exceeds 140%

RESIDENCY

The applicant and/or eligible child(ren) must be a citizen of the U. S. or a qualified (legal) alien and currently reside in Indiana. Only the citizenship and immigration status of the child, who is the primary beneficiary of the child care benefit, is relevant for eligibility purposes. The applicant must apply for CCDF in his/her county of residence. This can include a person who is temporarily residing in a domestic or homeless shelter in Indiana. There is no minimum length of time a person must reside in Indiana to obtain benefits.

AGE REQUIREMENTS

Children under the age of thirteen (13) and children ages 13 through 18 who meet the definition of a child with special needs (see definitions) or are under court supervision are considered eligible.

PHYSICAL CUSTODY

The individual, parent or guardian, having physical custody of the child is considered the applicant for CCDF benefits. Custody may be formal or non-formal. If the child is in informal custody and is NOT considered a foster child placed with a foster family, the custodial adult(s) income WILL be considered when determining financial need.

MINOR PARENTS

Minor parents must be in a training/education program and/or employed. The minor parent is the applicant for the child care services and the minor parent and his/her children are considered a separate family. Minor parent means a parent under the age of eighteen (18).

PARENTS CALLED TO ACTIVE DUTY IN THE MILITARY

This situation would apply to **parents with children enrolled with the CCDF program** that are called up for military duty. The children **may remain** on the program using the service need of the person(s) that has physical custody and the financial need of the parent in the military. A copy of the military orders should be kept in the case file. If the children are placed in a two-parent household, both of the persons with physical custody of the children must have a service need.

FOSTER CARE FAMILIES

The foster parent(s) (see definitions) must be working or in an education or training program. When a foster parent applies for child care, their income, including the foster child per diem, is not counted toward eligibility. Only the income of the foster child/ren is counted toward eligibility. Foster child/ren are considered a ward of the local Office of the Division of Family Resources and considered a family of their own. Only related foster children (siblings) may be listed as family members. The applicant (foster parent) will not be included in the household size. **When documenting a foster care situation, a copy of the foster parent's Foster Family Home License (State Form 45562) must be on file. In addition, the Grantee must also have a statement from the local Office of Family Resources indicating the child is a ward of the court and been placed with the foster parent.**

Foster parents who are also child care providers cannot be paid to care for their foster children.

CHILDREN WITH SPECIAL NEEDS

Required Documentation

Documentation of a child with special needs must be made by evidence of enrollment in one or more of the following programs or services:

- Children with Special Health Care Services;
- First Steps Early Intervention System;
- Public School Special Education;
- Supplemental Security Income (SSI); or
- Head Start (those professionally diagnosed children with disabilities).

With parental consent, a copy of the program enrollment forms may be obtained and used as documentation of special needs. Benefit letters, enrollment numbers, or program cards can also be used as documentation of enrollment.

If documentation/verification of enrollment in at least one of the above-indicated programs **cannot** be obtained, the child will **not** be considered a child with special needs until the documentation/verification can be provided. Providers and/or parents **cannot** self-declare that a child has special needs.

If a parent indicates that a child is not enrolled in any of these five programs and has not been evaluated, and the provider believes the child may have a special need, the provider may refer the parent to the appropriate agencies listed above and encourage the parent to have the child evaluated.

Determining Increased Costs

Not all child care programs may need an increased reimbursement rate to meet the child care costs of a child with special needs. Many children with special needs can be included with no additional cost to the provider.

In order to calculate the actual child care costs for a child with special needs, *the provider is to document and maintain accounting records that reflect only legitimate costs directly related to child care services, per individual child, which do not include services associated with the child's individual disability which are funded by other sources, or are the elected choice of the parent. **Only those child care costs not associated with the Americans with Disabilities Act (ADA) accommodation may be integrated into the cost structure.***

Once a child is verified as having special needs and the provider has documented that additional child care related expenses are necessary to provide child care to the child, the provider may reimburse up to, but **not exceeding, 10% over/above the market rate** in accordance with the child's age category/care setting.

The Grantee is to keep the child's eligibility for the special needs rate and the provider's documentation on file. Justification for the increased rate and the child's eligibility for the increased rate must also be maintained on site in the child's file for audit review. The increased reimbursement rate for children with special needs must be reviewed at each six-month re-determination

DETERMINING SERVICE NEED OF THE FAMILY

TYPES OF SERVICE NEED

Service Need eligibility is determined on an individual basis. A Service Need is established when each parent (see definitions) living in the home with a child under the age of 13 (or through age 18 in cases of special circumstances, can demonstrate the need for child care by proving participation in one or more of the following:

- Employment; and/or
- A certified or accredited training or education program, including high school, adult basic education, or GED. These activities must take place outside of the home; and/or
- Job search activity.

Note: When determining service need, the grantee will determine the amount of child care needed through verification of the adult family members' service need. The amount of care authorized must directly correspond with the number of hours worked of participating in an educational activity. This include travel to and from work or school and study time for parents participating in an educational activity.

EMPLOYMENT AND SELF-EMPLOYMENT

Child care subsidies may be paid for children when their parents are participating in an employment activity. These activities may be conducted through an employer or considered self-employment. Self-employment activities may take place in the home, however, the applicant must be able to show an income. Applicants must indicate the amount of time spent working to assist in the determination of appropriate child care. In situations where an applicant is also a child care provider, and child care is requested outside of the facility, the following limitations apply:

- Legally-license exempt providers are not eligible for CCDF benefits
- License child care home providers may receive CCDF benefits until the child(ren) reach the age of seven at which time they are not counted in the provider's capacity.
- Licensed child care center owner may receive CCDF benefits

Applicants whose work hours crossover a midnight, may request CCDF benefits to provide an opportunity for rest if child care is not needed during working hours.

EDUCATION AND TRAINING ACTIVITIES

Child care subsidies may be paid for children when their parents are participating in education and training activities. These activities must take place outside of the home.

Examples of education and training activities may include, but are not limited to:

- Job Readiness,
- Community Work Experience (CWEP),
- Post-Secondary Education,
- Vocational and Educational Training and Academic Training,
- Adult Basic Education (ABE),
- English as a Second Language (ESL), or
- General Education Degree (GED).

Child care subsidies for Non-TANF households are allowable for Post-Secondary education, not to exceed one four-year undergraduate degree. Documentation of training/education programs may include registration forms, a letter on the training/education program letterhead from the instructor or caseworker, and class schedule, also on letterhead. A class schedule will help the Grantee determine how much time will be needed to attend class, study, and commute. Additional service hours may be given for travel to and from school and study time (up to 2 hours for every credit hour).

DOCUMENTATION REQUIRED FOR EDUCATION

- Documentation of training/education programs may include:
- Registration forms
- Letter on the training/education program letterhead from the instructor or caseworker
- Class schedule, also on letterhead or printed from institution's website. A class schedule will help the grantee determine how much time will be needed to attend class, study, and commute.

Distance learning, which could include correspondence and internet learning, is not a valid service need.

JOB SEARCH ACTIVITIES

Job Search activities may be used as a service need for recipients of the program. Job Search activities are not acceptable as a service need for initial applicants. The length of time for which child care subsidies are allowable for Job Search is a maximum of 30 cumulative days in a six month period.

TYPES OF JOB SEARCH ACTIVITIES

- Workshops
- Job clubs
- Face-to-face contacts with potential employers to attempt to complete job applications
- Attending job interviews
- Following-up on job applications
- Registering for work at employment agencies
- Completing pre-employment physicals
- Job testing
- Completing pre-employment paperwork.

The child care enrollment agreement requires the parent to notify the grantee of changes in employment status within ten calendar (10) days. When a grantee is notified timely a parent is unemployed or is facing unemployment, the parent is to be asked what the new service need will be. If the parent indicates that they will be job searching, the parent should be informed child care could be authorized for Job Search activities up to the stated time periods above. **Please Note: Failure to report a job loss within ten (10) calendar days will forfeit the applicant's right to job search and render any child care benefits received after the date of employment termination an inappropriate payment which will require the applicant to repay any child care subsidies paid on their behalf.**

The Grantee and the parent should discuss how many hours of child care will be needed for the parent to conduct their job search. Notice of termination should be given at this time to insure that the ten day adverse action notice is given.

APPROVED LEAVE

Approved leave is to support families during a period of time when services are not needed but the family plans to resume services after a pre-determined amount of time. Child care can not be billed during the period of approved

leave when the recipient is not receiving services, but the family is able to remain on the program and does not need to be terminated for not having a service need. Approved leave can be from 1 to 12 weeks in duration; however the child/ren may resume services at any time during the approved leave period. **Using the approved leave category is at the discretion of the grantee.**

An applicant may be placed on approved leave for the following instances:

- A. Maternity Leave
- B. Legal Custody Agreements
- C. FMLA (Family Medical Leave)
- D. Summer Break for High School Parents
- E. School break of less than four weeks.

DETERMINING FINANCIAL NEED OF THE FAMILY

Financial need exists when a grantee verifies an applicant's previous 30-days income:

- ✓ Initial enrollment is less than **127%** (Effective October 1, 2002)
- ✓ Re-certificaton (Update) is less than **141%** (Effective October 1, 2005)

The Grantee is to apply the following definition of family to determine the family situation in order to verify family income.

FAMILY: The family is defined as one or more adults and children related by blood or law, or other person standing in loco parentis, residing in the same household. Where adults other than spouses reside together, each is considered a separate family. Wards of the Local Office of Family Resources are the legal responsibility of the Local Office of Family Resources and not the family with which the child has been placed. However, with the appropriate documentation, the foster parent(s) should be considered the CCDF applicant for that child. NOTE: A marriage between persons of the same gender is void in Indiana even if the marriage is lawful in the place where it is solemnized. (IC 31-11-1-1(b))

TYPES OF INCOME

The following are to be taken into account as sources of **gross countable income** in determining financial eligibility for the family. *All of the following should be counted from the 30 days preceding the application date.*

Please Note: An Applicant should not be penalized should the previous 30 day period include an extra pay date. For example, if the applicant is paid weekly, and the previous 30 days included five paychecks, instead of the normal four paychecks, only the four most recent paychecks should be counted in calculating gross income. If pay is received bi-weekly or semi-monthly, only the most recent two paychecks should be counted in calculating gross income.

Only those individual's income defined in the definition of family should be counted. Earned income (i.e. employment) of a dependant child under the age of 18 is not counted. However, if a child under the age of 18 lives in the home and receives SSI or TANF, that is considered unearned income and is counted.

✓ CHILD SUPPORT

Money paid on a regular basis by an absent parent for the benefit of his/her child, which includes direct payments and payments via the Clerk of the Circuit Courts and/or the Division of Family Resources, Child Support Bureau. If a non-recurring lump sum child support payment received outside of the regular payment schedule, please refer to next section. If the child for whom child support is received is listed on the application, the child support is counted regardless of whether the child is receiving CCDF benefits.

✓ **MAINTENANCE**

Allowance paid to one spouse by the other for support pending or after separation or divorce.

✓ **PENSIONS AND ANNUITIES**

Money paid to a retired person or his/her survivors by a former employer or union either directly or through an insurance company.

✓ **SOCIAL SECURITY AND RAILROAD RETIREMENT**

Insurance payments paid the Social Security Administration or the U.S. Government to an individual who is of a qualified age, a survivor of a qualified individual, a permanently disabled individual, or an individual retired from the Railroad. Gross income includes benefits received prior to deductions for medical insurance.

✓ **SSI**

Money paid to an individual as cash assistance from Supplemental Security Income.

✓ **TANF**

Money paid as cash assistance from Temporary Assistance to Needy Families paid to the adult in the assistance group.

✓ **UNEMPLOYMENT COMPENSATION**

Compensation received from government unemployment insurance agencies or private companies during the period of unemployment.

✓ **VETERAN'S BENEFITS**

Moneys paid by the Veterans' Administration to disabled members of the armed forces or to survivors of deceased veterans. If problems occur in verification of these benefits the agency may call 1-800-827-1000 to obtain information on VA benefits.

✓ **WAGES OR SALARY**

The total amount of gross earnings received for work performed as an employee before deductions are made. Includes, but not limited to wages, salaries, armed forces pay, commissions, tips, piece rate payments, and bonuses. (Note: There is an exception for TANF families. The most recent gross earnings projection from the Local OFR caseworker may be used).

✓ **WAGES OR SALARY – NEW EMPLOYMENT**

If the applicant is employed, but has yet to receive a paycheck, the situation is to be handled by verifying all gross income received 30 days prior to the date of application or the change.

In addition, the applicant must provide, at the time of application or reported change, a signed statement from the new employer (on company letterhead including phone number) to verify the number of hours service is needed, and return in 60 days with verification of 30 days of income. (See note under **Wages or Salary** above.)

✓ **WORKERS COMPENSATION**

Compensation received periodically from public or private insurance companies for injuries incurred at work. The cost of this insurance must have been paid by the employer and not the employ.

OTHER TYPES OF INCOME AND HOW TO CALCULATE

✓ **NON RECURRING LUMP SUM**

If the gross amount received in the 30 days prior to the date of application includes any amount above \$5,000 received through life insurance, Social Security, inheritances, lawsuit settlements, etc. or \$1,200 received from gambling/lottery winnings, the income is to be counted. **Exception, a child support payment made outside of the regular schedule** is to be annualized, regardless of the amount.

Calculate: This lump sum is to be annualized by dividing the total amount of the lump sum by 12 and applying as unearned income for the next 12 months. Please Note: The applicant may deduct documented legal expenses from the lump sum received.

Example: If a parent receives a lump sum payment of \$6,000, you would divide it by 12 and add \$500 per month to the monthly gross income of the family. In this instance, the \$500 would be in addition to any other income received on a monthly basis.

✓ **SELF EMPLOYMENT/NON FARM**

The gross is determined by deducting expenses from receipts of a business, professional enterprise, or partnership.

Calculate: Income is calculated by taking the gross receipts minus expenses. Gross receipts include the value of all goods sold and/or services rendered. Expenses include the cost of goods purchased, rent and utilities for the business property, depreciation, wages and salaries paid, interest on loans, and business taxes. Any income or expense considered as such by the Internal Revenue Services (IRS) is considered the same for CCDF purposes (use IRS Tax Schedule C). The previous year's tax return may be used and averaged over the number of months of employment, however, an additional Profit/Loss Statement may be required if the Schedule C is more than six (6) months old.

✓ **SELF EMPLOYMENT FROM FARMING**

The gross income is determined by calculating receipts minus operating expenses from the operation of a farm by a person's own account, as an owner, renter, or sharecropper.

Calculate: Income received from farm self-employment is to be calculated by taking the gross receipts minus operating expenses. Gross receipts include the value of all products sold, money received from the rental of farm equipment to others and incidental receipts from the sale of wood, sand, gravel and similar items. Operating expenses include the cost of feed, fertilizer, seed and other farm supplies, wages paid to farm hands, loans, farm building repairs, farm taxes (not state or federal income taxes) and similar expenses. Any income or expenses considered as such by the Internal Revenue Service (IRS) is considered the same for CCDF purposes (use IRS Tax Schedule F). The previous year's tax return may be used and averaged over the number of months of employment.

SOURCES OF INCOME NOT COUNTED TOWARD ELIGIBILITY

✓ **COUNTY ADOPTION ASSISTANCE**

Money paid the Family and Social Service Administration to the parent/guardian of an adopted child should not be counted in calculating monthly gross income.

✓ **HOUSING VOUCHER**

Benefits provided to an individual to assist in the providing adequate housing for their family. This income may be declared.

✓ **FOOD STAMPS**

Benefits paid to an individual for purchase of nutritional items to assist in providing adequate nutrition for their family. This source of income may be declared.

v WORK STUDY

Work-study grants are not considered income and should not be counted in calculating monthly gross income. Students in a Work/Study program should be reported as employed and in education/training program. Income for Work/Study students should be recorded on the applicant's Form 805 as "Other – Not Counted Toward Eligibility".

VERIFICATION OF INFORMATION

The Grantee must verify the identity of all family members included in the family size. Further, the family must be able to verify a service need for parent(s). All documentation which verifies the above should be copied and maintained in the family file at the Grantee locale. Failure to maintain appropriate documentation to support eligibility will result in audit findings and re-payment by the grantee.

VERIFICATION OF IDENTITY FOR ALL HOUSEHOLD MEMBERS AND AGE OF CHILD(REN)

ACCEPTED PROOF OF PARENTAL IDENTITY

PREFERRED

- Picture ID (i.e. driver's license, valid State ID card, passport, or Military ID) for all adults in family (see definition of family).

OPTIONAL

- Social Security cards (Note: Social Security cards may be accepted as proof of identity but cannot be required according to federal regulation.)
- Birth certificate

ACCEPTED PROOF OF IDENTITY & BIRTH DATE OF CHILDREN IN FAMILY

PREFERRED

- Birth certificate for all children in home, regardless of the need for child care
- Hospital issued certificate of birth
- TANF Referral ICES screen

OPTIONAL

- Social Security cards (Note: Social Security cards may be accepted as proof of identity but cannot be required according to federal regulations.)
- School records
- Medical immunization records

VERIFICATION OF FINANCIAL NEED

ACCEPTABLE PROOF OF EARNED INCOME

The following are acceptable forms of earned income verification:

- Pay stubs showing hours worked and all earned gross income received in 30 days or four weeks (see Types of Income Section) prior to date of application and/or;
- Statement from employer (must be on company letterhead and/or provide the employer EIN, signed by the employer, include hours worked, amount of gross pay, and date pay received) and/or;
- The most recent gross earning projection documented by the applicant's TANF caseworker in the form of a referral

AUTHORIZED CHILD CARE AMOUNTS

- Participation in employment, training, or educational programs must be documented in the client's case

record. The amount of child care authorized **must** directly correspond with the documented service need.

- The amount of child care authorized for an employed/in-training/TANF-IMPACT parent is to be based on the OFR referral form. If the parent's schedule varies greatly, the Intake Agent may need to estimate the number of hours per month and average these hours across four weeks.

VERIFICATION OF OTHER SOURCES OF INCOME

DECLARED INCOME

The following sources of income may be reported by *declaration* only:

- Food Stamps
- Housing Assistance

VERIFIED INCOME

The following sources of income should be verified by award letter, check stub, or other source of verification from the approving authority:

- Pension
- Social Security Insurance (SSI)
- Temporary Assistance for Needy Families (TANF)
- Unemployment
- Veteran's Benefits
- Workman's Compensation

OTHER VERIFIED INCOME

The following sources of income should be verified in the manner indicated:

- Child Support received through the Clerk of the Court should be verified by court printout, internet account verification (<http://www.in.gov/ai/appfiles/fssa-childsupport/>), bank statement or check stub
- Child Support received directly from absent parent should be verified by a written statement from the absent parent, when possible, or from the applying parent.
- Maintenance received through the court should be verified in the same manner as child support.
- Maintenance received directly from the absent spouse should be verified by court decree, or a written statement from the absent spouse, when possible, or from the applying parent.
- Self-employment Income (See section "Sources of Income")

VERIFICATION OF SERVICE NEED

ACCEPTABLE PROOF OF SERVICE NEED FOR CUSTODIAL ADULTS

The following are acceptable forms of service need verification:

- Wage Verification
- School schedule with school name, semester dates, and hours taken. Note: School schedule may be generated from the student's internet account or provided by the school.

VERIFICATION OF RESIDENCY

ACCEPTABLE PROOF OF RESIDENCY

The following are acceptable forms of residency verification:

- Current rent receipt with address or statement from landlord
- Current utility bill
- Lease
- Current mail received at address (including mail for the Intake Agency)
- INS green card
- Check stub
- TANF ICES screen
- Driver's License

PARENT APPLICATION PROCESS

INITIAL CONTACT WITH THE APPLICANT

Information about the family must be obtained before an applicant may be approved for the CCDF program. The Grantee may be able to quickly pre-qualify a family based on information given to determine the poverty level of the family.

PLEASE NOTE: Initial applications must be conducted through a face-to-face interview.

If a family is determined as preliminarily eligible for the CCDF program, a face-to-face interview must occur. A family **MAY NOT** be placed in a partial application status pending completion of the application process.

APPLICANT INTERVIEW - COMPLETING THE 805 APPLICATION

Prior to conducting the CCDF interview, the grantee must determine if all necessary documentation is available to complete the interview. If an applicant is missing information, the interview must be stopped and the applicant given written documentation indicating the additional documentation needed. A partial application **MAY NOT** be taken for any reason.

During the interview with the applicant, the grantee will enter relevant information into the CIS Software. In addition, the grantee will compile an applicant file which will include:

- ✓ All required verifications
- ✓ Signed Parent Statement
- ✓ Complete application (Form 805) signed by parent (including page 3)
- ✓ Signed Provider Information Page (facsimile signatures are acceptable)
- ✓ Other documentation, as required

The interview should include questions to obtain all relevant information to accurately complete the application (Form 805) and ensure eligibility. I.e. interviews with applicants demonstrating no visible means of support should include questions inquiring how their basic needs are being met.

Note: The grantee must print the 805 Application and have the parent sign it. If the parent/provider completes a manual 805 Application or Provider Information Page, it should be attached to the computer generated 805 Applications and placed in the family file.

DETERMINING A SUBSIDY PERIOD

The centers software will provide a default subsidy end date six (6) months from the subsidy begin date. The grantee may select a subsidy end date less than six (6) months, but never more.

ANTICIPATED CHANGE IN ELIGIBILITY

If the grantee has determined the applicant will have an anticipated change in eligibility, i.e. school semester end date, etc., the grantee should *select a subsidy end date to correspond with the anticipated change*. This process will ensure an applicant is not determined eligible beyond the verified service need period.

UNCERTAIN CIRCUMSTANCES

If an applicant's circumstances are uncertain, the grantee should plan to verify the applicant's financial and service need at appropriate intervals to ensure the client remains eligible for assistance. Periodic verification should continue as long as the applicant's circumstances remain uncertain. *If a client has zero income or no visible means of support, an update should be conducted every 60 days until the questionable circumstances are resolved*

NEW EMPLOYMENT

If an applicant applies for services but is not able to provide the previous 30 days income from their current employer, the job is considered a "new job". Because income verification is based on an applicant's previous 30 days income, the applicant must be re-evaluated when 30 days income from their new employer can be verified. Therefore, the grantee may only issue a child care voucher for 60 days. When the applicant has provided a full 30 days income, the client is eligible for a full six (6) month subsidy period if there are no other uncertain circumstances. NOTE: Verification of income should include previous employment wages, if any have been received in the previous 30 days.

DETERMINING CHILDCARE NEED/CREATING CCDF VOUCHER

After reviewing all verification documentation, the grantee (not the parent or provider) must determine the appropriate amount on child care needed.

CALCULATING THE AMOUNT OF CARE NEEDED

This determination is based on the amount of time the applicant participates in their activity, their travel to and from their activity, and the amount of time the applicant anticipated they will spend studying, if applicable. (Note: Study time should not exceed two hours of study for every one hour in class.) Other factors which must be taken into consideration include the provider's hours of operation compared to the parent's hours of need and comparison of both applicants' schedules, when relevant.

CREATING CHILD CARE VOUCHERS

When child care need has been determined, the grantee will create vouchers to support the service need. When creating vouchers, the service need must be entered as a unit of days and a unit of whole hours. The grantee should choose the combination of day/hours which best meets the parent's need. The grantee should consider the impact of an applicant's failure to utilize a voucher fully when creating vouchers. Applicant's attending less than full-time will receive only one-half the authorized subsidy for a pay period unless the parent has use of a personal day. Consistent payments of less than the authorized subsidy impact

the budget for the center by allocating funds for families which will not be used and are therefore unavailable to other children. **Therefore, it is imperative an applicant's subsidy is appropriately determined.**

SIX MONTH RE-DETERMINATION

The Grantee must conduct a re-determination with each family at least every six months. This requires the completion of a new application, form 805, as well as re-verifying and documenting the family's eligibility. A Parent Statement Form must be signed with each re-determination. A re-determination may be completed 30 days before the subsidy end date but never after. If a change in the family's circumstances is anticipated, such as the end of a school term or change in incapacity status, the Grantee should schedule a re-determination to coincide with the change and reflect the family's status. **It is the responsibility of the grantee to notify the parent of the impending recertification 30 calendar days prior to the subsidy end date. This notification will also serve as ten-day notice should the family be found ineligible at the time of their re-determination. If a family is found to be no longer CCDF eligible, the ten-day notice period will NOT be extended past the subsidy end date.**

The grantee MAY NOT create a partial application for re-determination (update).
The re-determination should not begin until all documentation has been received.

CHANGES IN FAMILY CIRCUMSTANCES

Families must report changes in information to the grantee office within ten (10) calendars of date of occurrence. The grantee must take appropriate action, as follows:

- **Address change** may be updated without a new application
- **Phone number change** may be updated without a new application
- **Loss of service need** must reported within ten (10) calendar day to the grantee. This loss may be grounds for termination if the applicant is not eligible for job search nor wishes to participate in job search activities. If an applicant remains on the program in a job search status, the grantee must assess the child care need during this time period. The applicant must be given a ten (10) day written notice prior to any change in the child care vouchers. The applicant must sign either an updated application (Form 805) or a report of change form in acknowledgement of the change in need. The application must be updated completely, including income verification.
- **Change in service need** (i.e. employment status full to part-time, or change of employer) DOES NOT need to be reported to the grantee. A client's income verification shall remain valid for the full-term of the subsidy period, regardless of change in poverty level.
- **Change in income** (i.e. pay raise or decrease, receipt of bonus, additional child support payments, etc) DO NOT need to be reported to the grantee. A client's income verification shall remain valid for the full-term of the subsidy period, regardless of change in poverty level.
- **Change in family size** will require the applicant to complete a new application (Form 805) including signature on the application (Form 805).

Please Note: Each grantee is to establish a system to ensure re-determinations and known changes are completed when required (i.e., case flags, tickler files) and changes in circumstances are documented in the family's file.

DENIAL OF APPLICATION TERMINATION OF SERVICES

DENIAL OF APPLICATION

A family is **to be denied** services in writing for any of the following reasons:

- family income above 127% of poverty;
- co-pay exceeds weekly charge;
- child (the primary beneficiary of the service) is not a U.S. citizen, qualified alien and/or resident of the county or state;
- failure to complete CCDF enrollment paperwork within ten calendar days from date of application;
- deliberate misrepresentation of information on the application;
- no longer has a service need that meets CCDF eligibility criteria;
- conviction of illegal receipt of government funds;
- CCDF fraud conviction; and/or
- failure to repay overpayment agreement

The reason for denial must be determined by the tenth calendar day of application completion and **must be communicated to the family in writing.**

TERMINATION OF SERVICES

The family or child (if **applicable**) **may be terminated** from service for the following reasons:

- Failure to pay family co-payment.

The family or child (if applicable) **will be terminated** from service for one of the following reasons:

- CCDF fraud conviction;
- deliberate failure to report income/job, work, education, provider, TANF status/family change;
- expiration of period of subsidy eligibility;
- failure to fully reimburse in-home child care provider;
- failure to complete required CCDF enrollment paperwork;
- not employed or no longer in training/in education/in TAINF IMPACT approved activity;
- welfare fraud conviction;
- child turns 13 (or 19 if special “circumstances”);
- the child (the primary beneficiary of the service) is not a U. S. citizen, qualified alien, and/or resident of the county and/or state;
- failure to repay overpayment schedule; and/or
- co-pay exceeds weekly charge.

Immediately upon notification of change in circumstance or awareness of parent’s failure to comply with program

requirements, the provider shall take appropriate action. Parent/guardian notification of changes in circumstance must be documented in writing including the nature of the change, the date of notification and by whom. Awareness of a parent's failure to comply with program regulations shall be documented, including date of notification. If services are terminated to a client after the application has been signed, the family must receive at least ten-calendar days written notice. Services provided during this ten-day period are considered allowable child care costs for reimbursement under the CCDF child care program. Refer to Six-Month Eligibility Re-determination section for notice required for re-determination.

If a family appeals this action, child care will not be reimbursed after the ten-day termination period. However, if a finding is held in the family's favor, all child care during the appeals process will be paid retroactively at the rate that was determined prior to termination.

PARENT APPEAL PROCEDURE

When any Adverse Action is taken, such as denial, termination or increased co-pay, there is a three-step appeal process.

- Step 1 – Within **ten calendar days** of receipt of Adverse Action letter, the parent must send a written request for appeal to the Director of the Child Care Center.

The Director of the Child Care Center has **five calendar days** to review the request and respond in writing. This response must provide information on the next step in the appeal process. The Grantee will document research to support any decision made. The documentation shall be placed into the parent file.

- Step 2 – If the parent is not satisfied with the decision of the Child Care Center Director, the parent must send a written request for appeal to the Child Care Administrator of the Bureau of Child Development within **15 calendar days** of receipt of the denial letter from the Child Care Center Director.

Child Care Administrator of the Bureau of Child Development
Attn: CCDF Appeals
402 W. Washington Street, W-386 MS02
Indianapolis, Indiana 46204-2739

The Child Care Administrator has **15 calendar days** to review the request and respond in writing. This response must provide information on the next step in the appeal process.

- Step 3 – If the parent is not satisfied with the decision of the Child Care Administrator, they have **15 calendar days** from receipt of letter from the Child Care Administrator to submit a **final written** request for appeal to the:

Director of the Division of Family Resources
Attn: CCDF Appeals
402 W. Washington Street, W-386 MS02
Indianapolis, Indiana 46204-2739

The Division Director of DFR has **15 calendar days** to review the decision of the Child Care Administrator of the Bureau of Child Development and respond in writing.

- The decision of the Director of the Division of Family Resources is final.
- **All** requests for appeals and responses **must be in writing**.
- If a parent misses the timeline, the right to appeal is forfeited. All appeals sent by parents will be counted as sent on the date as postmarked. All dates on responses by the state will be counted as sent on the date of postmark.

COUNTY CHILD CARE MARKET RATES

Although child care reimbursement is based on the individual provider's charge for service, there are established maximum reimbursement rates. These maximum rates are determined by a local market rate survey of Indiana licensed child care providers. **A provider may not charge more for service to a CCDF child than they charge for similar services to other children. Market rates are determined based on the county where the provider does business. When new market rates are implemented, these rates shall not take effect until the parent re-determines.**

The survey results are compiled for each county through the oversight of the Division of Family Resources. Maximum county rates are established for full time weekly, daily, and hourly charges for center care, as well as, for child care homes. Separate market rates are established for licensed, accredited, and legally exempt child care providers. The market rate table also reflects the above rates for each age category. The rates established are the maximum reimbursed for subsidized child care programs administered through the Division of Family Resources.

When the amount a provider charges is less than the market rate, the actual charge is the maximum child care reimbursement that will be made under this program. **When the amount charged by the provider is greater than the market rate, the child's parent or caretaker must assume responsibility for the over-charge or the provider must be willing to accept a lower rate of reimbursement.**

Although many child care providers charge on a weekly basis, there are also providers who charge daily and/or hourly rates for the services they provide. The amount of child care subsidy allowed for care in this situation is determined based upon the actual rate established by the child care provider for all children in the care setting whose needs are similar to those of the child for whom the subsidy is requested. **However, in no case will the total daily or hourly subsidy reimbursed for care be greater than the full time weekly market rate. Under no circumstances can the provider's actual charge be paid if it exceeds the market rate, except in documented cases of special needs. Further, the hourly rate of reimbursement should never exceed the daily rate.**

PROVIDER RATE CHANGES

If a provider increases their rates to the public, the rate change may only take place for a CCDF family at the time of the family re-determination.

SLIDING FEE SCHEDULE

Payment for subsidized child care is based on the Division of Family Resources "Child Care Income Eligibility Determination and Sliding Fee Schedule" form. Families at 100% of poverty or below will have a zero co-payment. Family co-payments will be based on a percent of the family's gross income. The percent increases over a three-year period to a maximum of 9% for the highest category, however, all current families will start at the year one level for implementation in October 2003. The weekly co-payment is determined at the time of the interview and is not based on actual attendance. When families have multiple children, the co-payment is based on the child requiring the most care.

Only one co-pay is charged per week, per family, regardless of the number of children in the family receiving care. The family pays the co-pay to the provider directly. **The family is responsible for the weekly co-pay amount determined at eligibility determination, regardless of future attendance.** The provider is responsible for collecting the co-pay from the parent. Failure to pay family co-pay may result in termination of the child(ren) from the program.

PROVIDER COMPONENT

ELIGIBLE PROVIDER

Child care reimbursement is only authorized to qualified child care sites. Qualified site is defined as accrediting child care that meets CCDF provider standards, is licensed by the state, **and** is accredited by an approved national organization on or before February 2005. The accrediting agencies currently accepted by the Bureau are:

- National Association for the Education of Young Children (NAEYC)
- National Association for Family Child Care (NAFCC)
- National School-Age Care Alliance (NSACA)
- National Early Childhood Program Accreditation (NECPA)

Effective 10/1/04, funding for family child care home sponsors (0200x) and children enrolled through 0200.CCVO on grantee contracts will be discontinued. This includes administrative and direct funds used for children where care is provided in family day care homes or subcontracted to local licensed child care centers.

Curriculum

BCD will accept any child care curriculum that is accepted by a BCD recognized accreditation body. Please refer to your current contract for performance requirements related to implementation of curriculum.

PROVIDER REGULATIONS

LICENSED CHILD CARE CENTER

Licensed child care centers (IC 12-7-2-28.4) – a non-residential building where at least one child receives child care from a provider:

- a. while unattended by a parent, legal guardian, or custodian
- b. for regular compensation
- c. for more than four hours but less than 24 hours in each of ten consecutive days per year excluding intervening Saturday, Sunday, and holidays.

The term includes a non-residential building where child care is provided to one child if the provider has applied for a license under IC 12-17.2-4-et seq. and meets the requirement of IC 12-17.2-4.

CCDF PROVIDER STANDARDS

Effective July 1, 2002, the General Assembly passed legislation that requires all child care providers to comply with certain health and safety standards prior to their participation in the Child Care and Development Fund Program. Child care providers must demonstrate compliance with the health and safety standards through written documentation as well as a home/facility inspection. Licensed child care providers will be inspected by their state licensing consultant.

These health and safety standards include:

- The provider, any individual at least 18 years of age who resides in the facility, or any employee or volunteer serving as a caregiver shall provide results of an intra-dermal tuberculosis test prior to residence or volunteerism. The provider shall maintain annual documentation from a physician reflecting the results of symptom screening for tuberculosis for any individual with a history of latent or active tuberculosis.
- The provider must have written plans for notifying parents of their illness or serious injury, or death of a provider; care in an emergency and emergency evacuation plans that are posted in a conspicuous location.
- The provider and any employee or volunteer serving as a caregiver shall maintain current certification in first aid. The provider shall assure that at least one adult annually certified in CPR for all age groups of children receiving care is present at all times when care is being provided.
- The provider must conduct and document a monthly fire drill in accordance with the rules of the fire prevention and building safety commission.
- The provider, or individual at least 18 years of age (or under 18 and previously waived to Adult Court) who resides in the facility, or any employee or volunteer serving as a caregiver must provide a criminal history check which documents that the individual has not been convicted of a felony and/or a misdemeanor related to the health or safety of a child and/or a misdemeanor for operating a child care center or home without a license. In addition, the provider shall maintain a written policy requiring the individual to report any criminal convictions to the provider.
- The provider, any individual at least 18 years of age who resides in the facility, and any employee or volunteer serving as a caregiver shall provide evidence that the individual has not been named as the alleged perpetrator under Indiana Code 31-33-17-6(7) Child Abuse and Neglect.
- The provider or individual at least 18 years of age who resides in the facility, and any employee or volunteer serving as caregiver must provide results of a drug test which documents that the individual is free of the presence of illegal controlled substances. Drug testing shall be required prior to employment or participation in addition to tests conducted on a random basis based on a protocol established or approved by the division.

Additional drug testing may be required of an individual who is suspected of non-compliance. A provider, who suspends an individual based on the results of a drug test, shall maintain a written policy for reinstatement following rehabilitation and drug testing results that are negative for a prohibited substance.

- The provider shall maintain and annually update documentation of age appropriate immunizations for each child who is cared for in the facility.
- The facility must have at least one working telephone. Cellular phones are not acceptable.
- The facility must have hot and cold running water from an approved water source.
- The facility must have working, appropriately located smoke detection devices.
- The facility must maintain a two and one-half (2 ½) pound or greater ABC multiple purpose fire extinguisher on each floor of the facility with an additional extinguisher in the kitchen area.
- The facility must have two exits, other than windows, located on different sides of the facility that are not blocked and do not require passage through a garage or storage area where hazardous materials are stored and may be operated from the inside without the use of a key or any special knowledge.
- The provider must offer a safe environment by ensuring that firearms and ammunition, poisons, chemicals, bleach and cleaning supplies and all medications are kept in an area inaccessible to children in their care.
- The provider shall maintain a written policy prohibiting the use of tobacco, unintended use of a toxic substance, use of alcohol (homes); use or possession of alcohol (centers); and use or possession of illegal substances, in the facility where child care is operated when child care is being provided.
- The provider shall ensure that a child in the provider's care is continually supervised (within sight and sound at all times) by the caregiver.

Once a child care provider has complied with all required health and safety standards, they must agree to maintain compliance. A child care provider's failure to maintain compliance may result in termination from the Child Care and Development Fund program as well as termination of their CCDF contract (formerly TXX). Providers will be notified of their failure to comply with CCDF Standards by U.S. mail in the form of a Notice of Order.

NON-COMPLIANCE WITH CCDF PROVIDER STANDARDS

Following are the procedures for non-compliance with CCDF standards. A child care provider **will not** be paid during an appeal. If a parent/guardian wishes to leave their child(ren) in the care of the ineligible provider, CCDF funds may not be used to pay for services.

Step 1: A recommendation for denial or revocation has been approved by the Division of Family Resources

Step 2: The Division of Family Resources sends a "Notice of Order" letter to the child care provider by U.S mail.

Note: Parent/guardians must be notified that their CCDF participation is at risk as well as the consequences to the parent should the provider be denied access to CCDF funds.

Step 3: Payments shall not be made to the child care provider beyond the effective date of the order as stated in the child care provider's "Notice of Order". A CCDF contract (formerly TXX) may be terminated on the effective date of the "Notice of Order".

NOTE: If a provider decides to appeal, the provider will not be eligible for reimbursement for services provided during the appeal.

RESCINDING A CCDF PROVIDER REVOCATION ORDER

After the Bureau of Child Development issues denial/revocations in the form of a Notice of Order, it may become necessary to rescind an order if the provider can now demonstrate compliance with the CCDF standards. A licensed child care provider must contact their state licensing consultant for assistance.

When a Notice of Order has been rescinded, the provider will be notified by U.S. mail. If notification is received prior to the effective date of the Notice of Order, there is no interruption in the provider's eligibility. **When a Grantee fails to maintain compliance with CCDF standards the CCDF contract shall be terminated upon the effective date of the Notice of Order.**

NOTE: Rescind notices must be signed by the Child Care Administrator of the division or their designee to become effective. The effective date of a Rescind Order shall be documented by the date of signature.

PROVIDER LIMITS ON NUMBER OF CHILDREN ENROLLED IN SUBSIDY

Only **legal** child care can be reimbursed with CCDF funding. The following limitations apply:

1. Licensed child care centers

Legal care in a licensed center shall not exceed the center's capacity as stated on the facility's child care license.

2. Licensed Class I Child Care Homes

Legal care in a Class I home allows 12 full-time children and three part-time (school-age) children (only during the school year) at any one time.

3. Licensed Class II Child Care Homes

Legal care in a Class II home allows 16 children at any one time.

A Licensed Home provider may decide to offer child care services during several shifts of a 24-hour day. **However, effective February 1, 2003, CCDF children are to be assigned, according to the ir service needs, to one of two 12-hour shifts (6pm to 6am or 6am to 6pm). The provider may not enroll more than their licensed capacity during either 12-hour shift.** A child who needs care that would overlap during these shifts shall be assigned to **both** shifts (e.g. a child who needs child care from 3pm to 11pm should be assigned to both shifts as his attendance would increase the capacity of the provider during both shifts).

A provider serving children during the night must assure that the children are supervised at all times.

ADVERSE PROVIDER ACTIONS - OTHER THAN CCDF STANDARDS

In certain situations where there are immediate concerns for the protection of children or the integrity of a provider, the Division of Family Resources may take adverse action against a provider that affects their ability to receive CCDF funds.

A Grantee/provider may be suspended by the Division of Family Resources from receipt of CCDF funds under the following circumstances:

- the death of a child while in the provider's care;
- a pending abuse/neglect charge against the provider, or existing employee or subcontractor of the provider, or a member of the provider's household, indicating behavior harmful to children;
- a substantiated health or safety hazard;
- threatening behavior;
- providing false information on any forms connected with the CCDF program;

- being under investigation for fraud; and/or
- illegally operating a home or facility.

In the above circumstances, the suspension can be effective immediately upon notice to the provider. **Payment will not be made during the period of suspension.** The provider will remain suspended pending the outcome of an investigation.

A Grantee/provider's contract will be terminated upon notice by the Division of Family Resources under the following circumstances:

- Thirty (30) days after receipt of the facility's second suspension or probationary license during a contract year.
- Thirty (30) days after a grantee/provider's failure to attend mandatory training, unless specifically excused.
- immediately upon notification of license revocation during a contract period
- upon the effective date of a Notice of Order for failure to maintain compliance with CCDF standards (see Non Compliance with CCDF Standards)

In addition, termination of the provider's contact can be effective immediately upon notice and will be permanent in the following circumstances:

- a conviction of abuse/neglect against the provider, or existing employee or subcontractor of the provider, or a member of the provider's household (in the case of home-based care) indicating behavior harmful to children;
- substantiated fraud in the receipt of any type of government funds;
- proven forgery of signatures on any forms; and/or
- loss of licensure when such is required by Indiana law, including but not limited to, situations where revocation action is due to substantiated abuse or neglect.

Payment will cease upon termination of the provider. Parents shall be referred to the regional CCRR agency if they need assistance in selecting a new provider.

PROVIDER APPEAL OF ADVERSE ACTION - OTHER THAN CCDF STANDARDS

In situations where the Division of Family Resources takes adverse action (other than CCDF Standards) against a provider that affects their ability to participate in the CCDF program, there is a two-step appeal process.

- Step 1 - Within **15 calendar days** of receipt of termination notice, the provider must send a written request for appeal to the:

Child Care Administrator of the Bureau of Child Development
Attn: CCDF Appeals
402 W. Washington Street, W-386 MS02
Indianapolis, Indiana 46204-2739

The Child Care Administrator has **15 calendar days** to review the request and respond.

- Step 2 - If the provider is not satisfied with the decision of the Child Care Administrator, they have **15 calendar days** to submit a final written request for appeal to the:

Director of the Division of Family Resources
Attn: CCDF Appeals
402 W. Washington Street, W-386 MS02
Indianapolis, Indiana 46204-2739

The Director has **15 calendar days** to review the decision of the Child Care Administrator of the Bureau of Child Development and respond in writing.

The decision of the Director of the Division of Family Resources is **final**.

If a provider misses the timeline, the right to appeal is forfeited. All appeals sent by providers will be counted as sent on the date as postmarked. All dates on responses by the state will be counted as sent on the date as postmarked.

Provider payments will not be made during the appeals process. However, if a decision is found in favor of the provider, any CCDF enrollments will be paid. A provider may not enroll any new CCDF children during the appeal process.

PROVIDERS WITH MULTIPLE SITES

Providers must provide care for a child at the site indicated on the child's application for services (Form 805). Providers with multiple sites must complete provider information for each site and ensure that the children attend and are claimed at the qualified site to which they are assigned.

ATTENDANCE

Full Time Care

Non school-age children

Full time care is defined as 25 hours or more per week, for **non school-age children**. When the child care provider charges a flat weekly rate, the child must attend a minimum of 25 hours per week, Sunday through Saturday, to qualify for the flat rate. Should a provider claim less than 25 hours of care for a child that is authorized for full time care, AND no personal day or holiday is used, the payment for that claim period would be reimbursed at 50% of the weekly rate. For children enrolled on a daily or hourly basis, reimbursement can be made only for the time a child is in attendance. *Reimbursement for care can never exceed the full time weekly market rate. If the grantee does not have a daily or hourly rate established, then only children with a full time service need may be enrolled and reimbursed with these funds.*

Full Day Kindergarten

Children who attend **full day public school kindergarten** are considered school-age children for market rate purposes. The same rules for school age children apply in these cases.

School-age children

Full time care for **school-age children** is defined as 15 hours or more per week, Sunday through Saturday, during the school year when school is in session. When a school-age provider charges a flat weekly rate, the full weekly rate can be paid for the school-age child who is in attendance at least 15 hours per week, Sunday through Saturday, during the school year when school is in session. Should a provider claim less than 15 hours of care for a child that is authorized for full time care, AND no personal day or holiday is used, the payment for that claim period would be reimbursed at 50% of the weekly rate. During the summer when school is not in session, and for care provided when a parent works non-traditional hours any time during the calendar year, full time care for school-age children is defined as 25 hours or more per week. Should a provider claim less than 25 hours of care for a child that is authorized for full time care, AND no personal day or holiday is used, the payment for that claim period would be

reimbursed at 50% of the weekly rate. For children enrolled on a daily (3 hours or more) or hourly basis, reimbursement is to be made only for the time a child is in attendance. *Reimbursement for care can never exceed the full-time weekly market rate.* **If the grantee does not have a daily or hourly rate established, then only children with a full time service need may be enrolled and reimbursed with these funds.**

Personal Days

When enrolled **full-time**, each family is allowed **20 personal days per child during their enrollment year** for which reimbursement can be made if a child is absent. The personal days must be used at the parent's discretion. A personal day equals one day of service as determined on page 3 of the application (Form 805).

Parents have the option of choosing when they want to use their 20 personal days for each child. Once the 20 days are exhausted (for each child), the parent is responsible to pay for any days the child does not attend. Personal days may not be used to provide two-week notices. Any requirements for notice are between the parent and the provider.

A personal day may not be used to cover periods of ineligibility.

NOTE: For children with special health situations (e.g., prolonged illness or an injury) the treating physician is to document the child's needs for treatment and/or recuperation. This prescribed time may result in absences in excess of 20 days. The service provider and parent must work closely on the length of the absence. They are not bound by the 20 personal day limit when the physician documents the need.

Holidays

Reimbursement also may be made to providers for up to six days per calendar year, per child, for children enrolled full-time, when the center or home is closed due to a holiday. This provision applies only if the center or home has a written policy to charge all families for days they are closed due to a holiday. The provider chooses the six holidays for which they want to be reimbursed. **The written policy is to be filed as a part of provider enrollment.**

Other Costs

Registration costs, mandatory fees and other optional child care expenses, such as art and gymnastics programs or transportation costs, **cannot be paid** through the child care subsidy program. Transportation costs may only be charged if the service component is included in the Grantee's contract.

CCDF FRAUD/RECOVERY AND COLLECTION

Purpose: In order to ensure that CCDF dollars are used to their full potential, the Bureau of Child Development Has developed a CCDF Fraud Policy and Procedures to follow.

Definition: Fraud is defined as any intentional false reporting of facts or information. Fraud may or may not include overpayment of funds. **Unintentional errors are not considered fraud, and may be corrected at the local level.**

Grantee Role: The Grantee is expected to report any suspicion of fraudulent activity in the CCDF Program. These instances could include, but are not limited to, parent/applicant fraud; provider fraud; and local grantee fraud.

Should the Grantee fail to report any fraudulent activity that could be determined within the normal scope of their duties, the Grantee could be held accountable for any over payments. Further, it could be considered a failure to perform contract obligations.

Reporting Procedure: Should the Grantee discover any type of possible CCDF fraud, the Grantee must:

1. Report the CCDF fraud suspicion, and any supporting facts and documentation, to the CCDF Fraud Coordinator (see Appendix for Fraud Referral Form). The CCDF Fraud Coordinator will forward all information to the Bureau of Investigations (B of I) as well as coordinate with the B of I to determine a plan of investigation/action, which may include assigning the case back to the Grantee for resolution.
2. Cooperate with FSSA personnel in ongoing investigation of the alleged fraud.

Once reported, the Bureau of Investigations will:

1. Assign a case/tracking number and log case into computer system;
2. Forward a bi-weekly summary report of the ongoing cases status and any investigation findings and/or recommendations to the CCDF Program Manager, who will distribute to the Child Care Administrator of the Bureau of Child Development.
3. The Child Care Administrator will review findings and recommendations and determine any follow up measures.

Fraud Repayment Policy of Funds (Less than \$1,000)

The Bureau of Investigations (B of I) may report finding that less than \$1,000 of funds was overpaid. The B of I will either refer to seek repayment back to the county level, or refer to the County Prosecutor for legal action. In most cases, the case will be referred for repayment resolution at the Grantee level.

Fraud Repayment Procedures (less than \$1,000)

1. The Bureau of Investigations will forward a copy of their findings to the CCDF Fraud Coordinator.
2. The local Grantee will be notified of the findings by the CCDF Fraud Coordinator. The Contractor will develop a repayment agreement with the party who has received an overpayment of funds. The party will sign a repayment agreement.
3. The Grantee will forward the original repayment agreement to FSSA Financial Management.
4. The Grantee will also forward a copy of the repayment agreement to the CCDF Fraud Coordinator. The CCDF

Fraud Coordinator will document the resolution

5. Funds which are repaid as part of the repayment agreement should be sent directly to FSSA Financial Management. The repayment will be deposited into the Indiana CCDF account.

Fraud Repayment of More than \$1,000

The Bureau of Investigations may report that more than \$1,000 was overpaid. The Bureau of Investigations may recommend criminal prosecution, in addition to collection of the overpayment in these instances.

Fraud Repayment Procedures (more than \$1,000)

1. The Bureau of Investigations will forward a copy of their findings and recommendations to the CCDF Program Manager who will forward to the BCD Child Care Administrator.
2. The Child Care Administrator will determine any future action needed which may include, but is not limited to a repayment agreement.

BUDGET

Budgeting and CIS

The web-based Centers Intake System (CIS) that was rolled out in 2004 has simplified many of the day-to-day tracking and reporting processes associated with the CCDF Centers program. However, it is important to note that while the software tracks payment information and has some safeguards in place to prevent excessive obligations, it will not prevent a Center from expending allocated funds early and it may not prevent a Center from enrolling in excess of its contracted amount. Centers that utilize all their funding before the end of the year are required by contract to continue to serve eligible children through the end of the contract year.

CIS manages the availability of funds to grantees by prohibiting total year-to-date obligations from exceeding total funds available for each grantee. The entire year's worth of funding is made available to the grantees in CIS from the start of the contract year. That enables each Center to utilize their funds at a pace of their choosing. Note that because the entire year's worth of funding is applied at the beginning of the year, the slot calculation in CIS does not represent the number of children that can be enrolled at one time. It is ultimately the responsibility of each Center to manage their funds properly and ensure that they stay within their budget.

A monthly process is conducted to adjust the funds available to Centers that accounts for differences in obligations and postings. This process is conducted on the 15th of each month. A report on the funds made available via this process each month is distributed to the CCDF Program Consultants and the Centers.

The Centers budget is reviewed by the CCDF Budget Committee at bi-weekly Budget meetings. Any changes to Centers budget management processes will be directed by this committee.

Requests from grantees for additional funds to be added in CIS will be directed to the Child Care Operations Manager for approval. Upon approval additional funds will be added to the grantee's available fund balance in CIS.

CONTRACT REQUIREMENTS

All grantees must be in good standing with the Indiana Department of Revenue, the Secretary of State's Office, and (have filed with FSSA a current Provider Data Form (PDF) providing a current Employee Identification Number EIN), W-9 (also completed by the depository), and a Direct Deposit Form (if applicable).

Grantee shall submit to State on at least a monthly basis properly completed claims for reimbursement for charges incurred under this agreement during the prior month. Claims must be submitted to State within sixty (60) calendar days after the date charges are incurred. All final claims and reports must be submitted to State with sixty (60) calendar days after the expiration or termination of this agreement. Claims shall be submitted on forms provided by State and pursuant to instructions issued by State. No charges may be incurred against this agreement by Grantee after the expiration date previously specified.